

**Supporting Statement for Forms:
SSA-L2765, Request for Self-Employment Information
SSA-L3365, Request for Employee Information
SSA-L4002, Request for Employer Information**

20 CFR 422.120

OMB No. 0960-0508

A. Justification

1. *Sections 205(a) and 205(c)(2)(A) of the Social Security Act* authorize the Social Security Administration (SSA) to request that an employer, employee, or self-employed individual furnish additional evidence of earnings, such as the name and Social Security number (SSN) shown on the Social Security card of the individual for whom earnings are reported. This authority is implemented under *20 CFR 422.120*.
2. SSA needs the information collected on Forms SSA-L2765, SSA-L3365 and SSA-L4002 in order to credit the reported earnings to the proper earnings record. When W-2 wage data for an individual cannot be identified, the data are placed in the earnings suspense file, and SSA sends one of the forms cited above to the employee (and in certain instances to the employer) in an attempt to obtain his/her correct name and SSN. If the respondent furnishes the name and SSN information which agrees with SSA's records, or provides information which resolves the discrepancy, the reported earnings are added to his or her Social Security record.
3. Improved information technology that would reduce the burden is not available. These forms are Agency-initiated forms with pre-filled information. Electronic data submissions is an Agency goal as an alternative method of doing business with SSA, unless face to face contact with the individual is required as part of the intake process or the circumstances are so sensitive or complex that the person would be better served by interacting with a trained SSA employee. The expenditure of Systems resources must compete with other high priority initiatives for very limited funds. The SSA-2765, SSA-3365, and SSA-4002 cannot compete with the legislative mandates that are driving the use of these funds and, therefore, this collection is currently not scheduled for electronic implementation.
4. The nature of the information being requested and the manner in which it is collected preclude duplication. There are no other forms used by SSA that collect information similar to that collected on Forms SSA-L2765, SSA-L3365 and SSA-L4002.
5. The collection of information does involve small businesses or other small entities. However, the number of small businesses and other small entities is not substantial and

there is no significant economic impact. The impact is minimized by first sending a notice requesting the information to the employee and only when the employee's address on the W-2 is incomplete or missing will the notice be sent to the employer. Use of the notices will help employers improve their wage reporting practices and thereby reduce their likelihood of being penalized for furnishing incorrect information. (The penalty would not apply to businesses with fewer than 10 employees.)

6. The request is made to obtain the name (and other names used) and Social Security number as shown on the Social Security card of the worker on whose record the reported earnings should be credited. Failure to obtain the requested information could result in a potential loss of future benefits for the individual because of noncredited earnings. Therefore, the forms could not be used less frequently. There are no technical or legal obstacles that prevent burden reduction.
7. There are no special circumstances that would cause this information collection to be conducted in a manner inconsistent with 5 CFR 1320.5.
8. The 60-day advance Federal Register notice was published on March 15, 2007 at 72 FR 12244 and SSA has received no public comments. The second notice was published on May 9, 2007 at 72 FR 26443. There have been no outside consultations with members of the public.
9. SSA provides no payment or gifts to the respondents.
10. The information provided on this form is protected and held confidential in accordance with 42 U.S.C. 1306, 20 CFR 401 and 402, 5 U.S.C. 552 (Freedom of Information Act), 5 U.S.C. 552a (Privacy Act of 1974) and OMB Circular No. A-130.
11. The information collection does not contain any questions of a sensitive nature.
12. The forms will be used by approximately 844,500 respondents annually. The estimated average response time is 10 minutes for each form, for a total of 140,750 burden hours (SSA-L2765 – 15,400 respondents = 2,567 hours; SSA-L3365 – 173,100 respondents = 28,850 hours, and SSA-L4002 – 656,000 respondents = 109,333 hours). The total burden is reflected as burden hours and no separate cost burden has been calculated. *SSA has no information, nor does it keep statistics on the types of respondents; Individuals/Households, Private Sector (businesses, farms), State/Local/Tribal/Federal Government. However, the following DECOR items were processed through SSA's system for CY 2006: 15,400 items (Self-Employed – SSA-2765)
173,100 items (Employee – SSA-3365)
656,000 items (Employer – SSA-4002)
13. There is no known cost burden to the respondents.
14. The annual cost to the Federal government is approximately \$4,833,000.

15. There have been no program changes in the forms, but there has been a change in the public reporting burden. The Social Security Number Verification Service (SSNVS) allows employers to verify employee names and SSNs via a secure Internet-based system. SSNVS may have somewhat of an impact on the decrease since it offers an immediate and efficient verification process. However, the burden reduction by SSNVS was probably minor since there are only 31,000+ employers registered. A contributing factor could be that since the DECOR process is not mandatory, our customers are not obligated to return their responses.
16. The results of the information collected will not be published.
17. OMB has granted SSA an exemption from the requirement that the expiration date for OMB approval be printed on its program forms. SSA produces millions of public use forms, many of which have a life cycle longer than that of an OMB clearance. SSA does not periodically revise and reprint its public-use forms, (e.g., on an annual basis). This exemption was granted so that otherwise useable editions of forms would not be taken out of circulation because the expiration date had been reached. In addition, government waste has been avoided because stocks of forms would not have to be destroyed and reprinted.
18. SSA is not requesting an exception to the certification requirements.

B. Collections of Information Employing Statistical Methods

Statistical methods are not used for this information collection.